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THE "THIRD PARTY" MOVEMENT IN THE UNITED STATES

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STRENGTH OF THE OLD PARTIES

The history of third party movements in the United States has not been a happy one. The two old-established parties, the Republicans and the Democrats, have built up political machines so effective, and are supported by vested interests so strong, that they have been able to maintain themselves against all attacks so far launched upon them. In a country of continental rather than national proportions the very varied regional economic interests have been united largely upon programmes of a negative character. The power to dispose of patronage in all its forms has proved of more value as a unifying force than proclaimed allegiance to any particular set of political principles. And the use of this patronage has served to consolidate the hold of the two older parties upon the political life of the country. At the same time the control of the monied interests over the organs of popular opinion is no less strong than it is in this country. Nor are the Republicans and Democrats content with merely indirect methods of obstruction. They have forced through many state legislatures measures which seriously hinder the activities of their would-be opponents, while local judges are often amenable to their suggestions when such legislation is of doubtful application. Thus in many states any new political party has serious constitutional difficulties to overcome. In some petitions have to be signed by a substantial number of voters, if a place on the ballot is to be obtained. In the state of Florida the laws have been so interpreted as virtually to exclude the possibility of a new party gaining a place on the ballot.

A radical third party has hitherto found its difficulties immeasurably increased for reasons springing from the economic development of the United States and the psychology of its people. The comparatively recent closing of the frontier, mass immigration, the heterogeneous character of the industrial population and many other factors have contributed towards retarding the growth of an atmosphere favourable to the emergence of radical thought and action. Where new parties have come into existence, it has been in times of economic

depression and they have been overwhelmed in the years of prosperity that have followed. The rise and decline of third party movements follow very closely the ebb and flow of economic advance.

THE SOCIALIST PARTY

The Socialist Party alone has been able in recent times to maintain itself in existence over a period of more than thirty years, contesting congressional and presidential elections with great regularity. The socialist movement in the United States started among German immigrants in the middle of the last century. It was many years before it attracted native Americans to any great extent. The present Socialist Party was, however, founded at the close of the century and by 1912 it had become an influential force in the trade union movement and in the national life of the country as a whole. Thereafter the growth of the movement was checked. The party took up a forthright and courageous stand against the war and was subjected to bitter attacks on the part of the government and private individuals and organizations on that account. After the war the movement was split in two as a result of internal dissension, the left wing of the party leaving it to form the Communist Party of America. Seriously weakened in numbers and in morale, the party made little headway during the prosperity years before 1929. In 1928 its fortunes were at a low ebb. But six years later the party convention that met in Detroit received reports from nearly every state of renewed activity and the rebuilding of local organizations which had been shattered in the war and post-war periods. Today the Socialist Party is gaining strength rapidly as the more radical groups in the country become disillusioned with the Roosevelt Administration.

The main problem before the party at the present time is one of building up contacts with the broad masses of farmers and workers in the country. Its approach has been too closely modelled upon that of European socialists and has taken too little account of the realities of the American scene. For lack of firm contact with

the American masses, its members are apt to engage in highly intellectual discussions and to place too much emphasis upon matters of purely theoretical importance in view of the present position of American socialism. Nevertheless, every socialist realizes the importance of contacts with farmer and labour groups. In seeking these contacts most members of the party no longer envisage the Socialist Party as the mass party of farmers and workers. They are aiming at building up a wider farmer-labour movement, of which their party will be one unit. By virtue of their long experience in negotiating the hazardous course of electoral procedure and of their clearer understanding of the working of political and economic forces, socialists would hope to provide leadership in local organizations and to give the movement a clearcut and definite programme.

ATTITUDE OF FARM AND LABOUR GROUPS

The idea of a farmer-labour party is not a new one. As recently as 1924 such a combination supported the candidature of Robert M. LaFollette, Sr, for the presidency against the candidates of the two older parties. The Socialist Party was behind him at that time. Although he polled nearly 5,000,000 votes, the success of the movement was short-lived. Little permanent organization remained as a result of the campaign. In Wisconsin the Progressives returned to the Republican fold, while the national movement disintegrated in the face of the prosperity years before 1929.

The American farmer is quite unlike the farmer or peasant of Europe. In the middle west, where all important farmers' movements have originated, there is a very small class of hired labourers. Most of the farmers own their own land, even though it may be heavily mortgaged at the present time and has, in many cases, been debt-ridden for decades. While the farmers have a powerful lobby at Washington and have on occasion struck out on a line of their own, their demands have hitherto been based upon a desire for specific reforms rather than upon any general theory of social change. The American farmer's approach to politics has always been, and still is today, entirely empirical. Reduction in railway rates, the breaking up of trusts, tariff reductions, and, most important of all, currency reform designed to lessen the debt-burden by inflationary measures, were the main demands which he made of the Government in Washington. Since the war, however, there has been a gradual change in the attitude of many farmers. The old type of leader like Milo Reno, national president of the Farmers' Holiday Association, still has a large following. But many are beginning to follow leaders like John Bosch, president of the Minnesota Farmers' Holiday Association, who has a firm conviction that nothing short of a complete change in the economic system can remedy the farmers' position. It is to this latter group that the advocates of a farmer-labour party are looking for one of the pillars upon which they can build up their strength.

The organized labour movement must provide the other main pillar. But here the traditional policy of the American Federation of Labour is a great obstacle to further progress. In the past it has given its support to Republican or Democratic candidates according as one or the other was most ready to humour it at any

particular moment, or was thought to have the best chance of victory. There is, however, some progressive thought among the ranks of labour. Two unions in particular, the International Ladies' Garment Workers' Union and the Amalgamated Clothing Workers' Union, are well-disposed towards attempts to form a farmer-labour party, while the State Federations of Labour in Wisconsin and Minnesota cooperate with the Progressive and Farmer-Labour Parties respectively. When and if a farmer-labour party is successfully launched and shows signs of being able to fill elective offices on a considerable scale, the vast majority of the trade unions will line up behind it. Until such time they will continue to support the older parties for the immediate advantages which that support may bring.

A change in sentiment among the farmers and a more favourable attitude upon the part of some labour groups have encouraged people to go forward with another attempt to form a farmer-labour party. At the instance of the League for Independent Political Action a meeting was called in Chicago in September, 1933, to discuss the matter. Leaders and representative members of farmer and labour groups were present. Members of unemployed organizations and professional societies also attended, together with a number of distinguished individuals. The conference declared itself in favour of "launching a nation-wide farmer-labour party, inclusive of the forces opposed to the capitalist parties and system". It did, in fact, give birth to the Farmer-Labour Political Federation. Since that time the Federation has been preparing the way for a new party, trying to bring together existing political movements in agreement with its general programme. Its aim was to bring about a federation of existing groups so far as possible and not to set up a rival organization.

THE WISCONSIN PROGRESSIVES

While farmer-labour groups exist now in several middle western states, it is only in Wisconsin and Minnesota that they have gained any strength. In Wisconsin there has been for the past 40 years a division in the ranks of the Republican Party between the "Stalwarts" and the "Progressives". Under the leadership of Robert LaFollette, Sr, the Progressives were always at odds with the Stalwarts and with the national Republican Party. For many years they controlled the state and Wisconsin is still, as a result, one of the most progressive states in the Union. It was not until 1924, however, that the first open break occurred with the emergence of the elder LaFollette as a presidential candidate in the manner that has already been described. When the break came, it did not last for long. In 1925 the elder LaFollette died and his place in the Progressive movement was taken by his two sons, both of whom remained nominally in the Republican Party. Thus it was only last year that the Progressives made what promises to be a final break with the Republican Party, by forming an independent political party of their own. That such action was taken was due, not to the LaFollette brothers, but to the rank and file of the movement, encouraged to make their demand for independent political action by Congressman Thomas Amlie in a remarkable campaign throughout the state in the winter of 1933-34. The

justification for this step was soon seen in the decisive victory of the Progressive Party in the elections of last year.

The platform of the Progressive Party is in line with the liberalism of the elder LaFollette. It is in line also with the historical attitude of farm movements in the United States, to which reference has already been made. But these demands have, in the Progressive platform, taken on a more modern form. Instead of urging the reduction of railway rates, it demands the nationalization of the railways. Moratorium laws are advocated to deal with farm indebtedness, but the nationalization of banking is also proposed. Trusts and monopolies are attacked, but mere regulation of their activities is considered insufficient. There are demands for the nationalization of "public utilities," a term capable of wide interpretation in the United States. As yet, however, the Progressive leaders are not convinced that capitalism in an altered form will not work. They do not recognize the need for national planning to co-ordinate the industrial activity of the nation and solve the problem of distributing the goods which can be produced. Higher rates of taxation are considered adequate as a means of providing a sufficiency of purchasing power to take goods off the market. There is nothing fascist in the Progressive Party, but its leaders are not yet convinced of the inability of Liberalism to solve our problems. This cannot, however, be said of the rank and file movement that exists within the party, the Farmer-Labour and Progressive League. And it will not be long before the leaders of the party have to decide whether they are to adapt their ideas to changing circumstances or be left isolated by a movement that has passed beyond them.

THE MINNESOTA FARMER-LABOUR PARTY

In Minnesota the Farmer-Labour Party is, like the Wisconsin Progressive Party, in opposition to the two older parties. Here also there is a rank and file movement in the Minnesota Farmer-Labour Association, which is probably more progressive in thought than the leadership of the party and is certainly less ready to temporize with the members of the older parties in matters of patronage. But in Minnesota the leaders of the party recognize, as the Progressive leaders do not, that capitalism as a whole is responsible for the difficulties of the present time and not any particular aspect of it. Governor Olson, the Farmer-Labour leader, has declared himself on many occasions as being in favour of a new party that will aim at supplanting a system of production for profit by a system of production for use. Governor Olson himself is a powerful figure and a good campaigner, nor is he afraid to utter radical sentiments. He is, however, not always ready to have his utterances interpreted too literally and he is politically a complete opportunist. Nevertheless the Farmer-Labour Party and the Progressive Party are likely to play an important role in any national farmer-labour party, although their leaders have so far allowed the agitation for a national movement to remain in other hands.

THE AMERICAN COMMONWEALTH POLITICAL FEDERATION

Since its formation in 1933, the Farmer-Labour Political Federation has held many exploratory meetings.

Finally, at the beginning of July this year, another conference of farmer and labour leaders, of unemployed and professional people, was held in Chicago. This conference did not substantially alter the situation, although it changed the name of the Federation east of the Alleghenies to that of the American Commonwealth Federation, while the national organization is to be known in future as the American Commonwealth Political Federation. Its interest lies in the fact that it enables us to get an idea of the present position of the third party movement in the United States. The personnel of the conference was not very encouraging to its sponsors. There were nearly twice as many people present as there had been two years previously, but those attending were there as individuals and not as representatives of organizations with a mass membership in the country. Many delegates were men holding high positions in these organizations, but it was above all a conference of individuals and the principal leadership came from professional workers and "intellectuals" rather than from those more closely in touch with the American masses. In view of this fact the decision of the conference that a new party should be launched to contest the 1936 elections has little meaning. It was passed by a large majority, but those who did represent organizations rather than themselves were opposed to it and the committee elected at the conference is not likely to act upon this decision. The platform that was approved is essentially collectivist in its aims with certain concessions to the more vociferous farm groups on grounds of expediency. Many of its details are open to grave objection, but it is the spirit of the declaration that is important at this stage.

The attitude of already existing political groups to the conference was not encouraging. The LaFollettes sent no word of encouragement and their unofficial observer at the conference was very much opposed to the formation of a national farmer-labour party at the present juncture. Nor were any officials of the Progressive Party there, but the rank and file from the Farmer-Labour and Progressive League was well represented and showed itself in sympathy with the aims of the conference. From Minnesota, on the other hand, there came a vague message of goodwill from Governor Olson and several members of the Farmer-Labour Party were present, though none of its officials or office-holders attended. From the parties on the left there were more signs of enthusiasm. The Communists would have liked to have been included in the Federation, but there was much opposition to them and a resolution was passed which excludes them in fact, though not in name. The co-operation of the Socialist Party was sought and three official observers came to represent it. While it favours the formation of a farmer-labour party, it is going to be sure that the events of 1924 are not repeated. In that year the Socialist Party lost its place on the ballot in seventeen states as a result of transferring its support to the LaFollette candidacy, and had nothing to show for this loss. It is not yet assured that the American Commonwealth Political Federation has that backing from mass organizations of workers and farmers that will be necessary to ensure its permanence. And, until it is so assured, it will not join the Federation, although it will continue to be friendly disposed towards it.

OTHER BREAK-AWAY MOVEMENTS

Of the other popular movements that have gained prominence in the United States during the past two years, a word may be said. The movement of the late Senator Huey Long is not likely to survive him. It was regarded by third party sponsors as representative of something real in the south, but they had little use for the senator's programme or his methods. They were opposed to Long himself as a dictator in his own state and as a would-be dictator in the nation at large. They were opposed to a movement centred around a single man and a demagogue. And Father Coughlin they regard in much the same light, while they have no use for the muddled set of economic and social ideas which he expresses. More sympathy is shown towards the Technocrats and the Utopians, whose strength is in the far west. The members of these movements are educating the people in the necessity for replacing production for profit by production for use, although their understanding of political method is not usually very profound. Finally, the "Epic" movement of Upton Sinclair has many ideas and proposals in common with the American Commonwealth Political Federation, but the method whereby Mr Sinclair hopes to realize

them is directly contrary to that envisaged by the Federation. Mr Sinclair is seeking to capture the Democratic Party nationally as he has captured it in California, so that he is very much opposed to the formation of a farmer-labour party. Many of his followers are not, however, so strongly opposed to such a step.

CONCLUSION

The degree of success to be attained by the third party advocates will depend almost wholly upon developments outside their control. If economic conditions improve and another period of prosperity sets in, no farmer-labour party will emerge until the next depression overwhelms the country. But such improvement may well not take place. In that event, it is possible that there will be a realignment of the forces inside the Republican and Democratic Parties, and this again would delay the formation of a third party. But, if that realignment does not take place, the Democratic Party will gradually absorb the remaining elements in the Republican Party and will have the whole array of vested interests behind it. Nothing then could stop the emergence of a strong national farmer-labour party.

BRITISH AND WORLD TRADE AND PRODUCTION

Table 1 General Index Numbers of Industrial Production

	Average 1927-9	SECOND QUARTER OF YEAR			
		1932	1933	1934	1935
Britain ...	100	85.5	89.9	103.0	111.2
U.S.A. ...	100	54.1	70.3	75.4	76.3
France ...	100	75.0	86.9	80.5	73.7
Japan ...	100	103.5	127.4	140.1	157.3
Sweden ...	100	82.2	86.1	107.3	115.2

Table 2 Building Activity

Britain (value of plans passed) ...	100	97.1	122.6	146.8	169.1
U.S.A. (contracts awarded) ...	100	21.0	12.6	21.1	21.0

Table 3 Retail Sales (values—Base 1929)

Britain ...	100	89.9	91.0	92.8	97.2
U.S.A. ...	100	77.2	63.5	79.9	82.7
U.S.A. (Rural areas) ...	100	52.2	51.2	60.2	78.3
Germany ...	100	64.5	57.8	62.4	67.3

Table 4 Imports Retained—millions of pounds sterling

	Average Quarterly 1928-9	SECOND QUARTER OF YEAR			
		1932	1933	1934	1935
Britain ...	276.6	153.2	149.8	164.6	168.8
U.S.A. ...	220.0	94.2	82.3	82.8	100.0
Germany ...	171.1	73.4	69.9	88.1	83.0
France ...	110.8	84.5	84.6	76.9	70.0
Japan ...	51.2	32.8	28.7	36.3	36.2
World ...	1,657.0	883.0	877.0	948.0	982.0

Table 5 Exports—millions of pounds sterling

	Average Quarterly 1928-9	SECOND QUARTER OF YEAR			
		1932	1933	1934	1935
Britain ...	183.0	94.5	85.8	94.7	100.9
U.S.A. ...	260.5	100.2	85.8	98.7	100.1
Germany ...	147.0	87.0	82.3	75.9	81.8
France ...	106.1	51.2	51.2	55.1	52.5
Japan ...	47.7	23.9	27.8	31.3	35.0
World ...	1,516.0	762.0	786.0	852.0	905.0

Table 6 Wholesale prices—Food

	Average 1927-29	SECOND QUARTER OF YEAR			
		1932	1933	1934	1935
Britain (Sterling) ...	100	76.4	68.1	67.3	69.8
Do. (Gold) ...	—	58.0	47.4	41.9	41.6
U.S.A. (Farm Products) (Dollar) ...	100	41.0	43.9	55.1	79.1
Do. (Gold) ...	—	—	38.4	32.7	47.0
Germany (Farm Products) ...	100	69.6	62.4	68.5	75.0
Do. (Imported Products) ...	100	67.1	59.8	57.9	65.4

Table 7 Wholesale prices—raw materials and semi-manufactured goods

Britain (Sterling) ...	100	69.8	72.8	77.6	76.7
Do. (Gold) ...	—	53.0	50.6	48.2	45.8
U.S.A. ...	100	58.7	59.8	72.6	78.3
Do. (Gold) ...	—	—	52.2	43.0	46.5
Germany ...	100	66.5	66.4	68.4	68.5

Table 8 Wholesale prices—finished manufactures

	Average	SECOND QUARTER OF YEAR			
	1927-29	1932	1933	1934	1935
Britain (Exports)					
(Sterling) ...	100	79.1	76.1	77.5	76.2
Do. (Gold) ...	—	60.1	52.9	48.2	45.5
U.S.A. (Dollar) ...	100	74.0	70.7	81.7	86.6
Do. (Gold) ...	—	—	61.7	48.5	51.4
Germany (Pro-					
ducers' goods)	100	87.7	84.1	84.0	83.7
Do. (Consumers' goods) ...	100	70.3	65.2	68.4	73.3
Do. (Total) ...	100	76.7	72.3	74.3	77.4

The trade boom in Britain, which during 1934 showed some signs of slackening, is now continuing to develop as rapidly as before. With all due deference to the contrary opinions generally expressed, we are now in this country approaching the summit of a major trade boom. In spite of the fact that there are still nearly two million unemployed, production, employment and profits are now at a higher level than at any previous period. The peak of the last trade boom in this country was in 1928, and no single economist or politician appears to have been aware of it at that time, with the solitary exception of Mr Maxton, who pointed it out to an unbelieving House of Commons. Then we could not get accustomed to a million unemployed as a normal feature of capitalist prosperity, now we find it equally difficult to adjust our ideas to two million unemployed as normal; but it is to be hoped that as this trade boom approaches its climax there will be more people aware of what is happening.

In Britain the national income has now surpassed its previous high record of 1929. Output per man has risen considerably, and wages are lower. This reduction of wages is in part offset by the gradual transfer of labour from worse paid to better paid (distributive, clerical, etc) occupations, but in the upshot there has been a considerable increase in profits.

The value of retail sales in Britain is now slightly below the 1929 level. People are now spending a larger proportion of their incomes on rent and rates, motor cars, hotels and restaurants and other services and commodities which do not enter into the retail sales figures.

The basic cause of the rapid industrial recovery in Britain which has taken place during the last three years has been the boom in private building made possible by low rates of interest. (It is perhaps permissible to remark that the present writer predicted this development in a Fabian Lecture and in the *Daily Herald* in January, 1933.) The latest figures of the value of building plans passed show no signs of slackening, and indeed are soaring up to a new high level. The amount of building on hand will soon be nearly £100 million per annum above the 1932 level. Certain economists have been predicting an early collapse in the building boom, based on the low figures recorded for the month of June, 1935, as compared with June, 1934. This comparison, which has been made in several quarters, arises out of neglect to study the calendar, a subject often disregarded by inexperienced observers. June, 1935, had five weekends and one bank holiday as compared with the normal ration of four weekends only, and this factor on examination can be shown to account for the difference.

Nevertheless, the opinion may be ventured that the building boom will not go any higher, if only for the reason that there is now a shortage of skilled building labour in many parts of the country.

In the U.S.A. there has been no improvement in industrial production during the past year. If we divide the statistics of retail sales for that country by the retail price index, we reach the conclusion that the volume of goods sold at retail has now about recovered to the pre-depression level (there having been quite a considerable increase, however, in the population meanwhile). The only considerable increase in retail sales during last year appears to have been in automobiles, the output of which is recovering rapidly. When we compare the recovery, shown above, in the volume of goods consumed in the U.S.A., with the continuing low figures of industrial production, we see that this can be explained by the practical cessation of the output of capital goods, as, for instance, is indicated by the very low level of building activity. The United States in 1929 had reached the highest level of productivity ever yet known in any community, with an average production of \$1,900 per year per occupied person, and if productive capacity had been fully utilized this figure might have been \$2,500 (certainly not more). Of the income actually produced about a quarter was invested every year in the form of capital goods. Even at the top of the boom there was a considerable amount of unused productive capacity, and during the slump, of course, this became overwhelming. The highest goal of American policy now seems to be to restore consumption to the 1929 level, with a more equitable distribution of income, but not to attempt to make any further additions to a productive capacity which is already considered to be unduly large.

An interesting series of statistics is that showing the value of retail sales in rural areas in America. The Bureau of Commerce points out that half the population of the United States is in the countryside or in towns of under 10,000 population, and the measure of purchasing power of the hick areas is an important measure of national welfare. It will be seen that this fell much more rapidly than the spending power of the nation as a whole between 1929 and 1933, but has also been reviving much more rapidly during the last two years. It seems that the most permanent achievement of the present administration of the U.S.A. has been to increase the well-being of the rural population. As can be seen from the table of prices, this has been principally achieved by the restriction of acreage, which has caused a considerable rise in the price of farm products. As Mr Secretary Wallace (the United States Secretary of Agriculture) pointed out two years ago, it would then have been possible to exchange large volumes of cheap American food for cheap European industrial goods, if both sides had been willing to lower their tariffs. Both sides, however, much preferred to go to the devil in their own way, with the result that America is now paying her farmers not to produce, while Europe is turning her unemployed on to making armaments.

The rise in price of farm products in America has been considerable, but this only applies to a restricted output, and the aggregate income from the sale of farm products has increased in a much less degree. It has, however, been very considerably supplemented by public relief

and a number of indirect forms of assistance. It seems fairly safe to predict that in the American elections of 1936 the Democrats will retain overwhelming support in the rural areas—which was probably the idea all along.

In Germany conditions are the opposite of those in America. Retail sales, after taking into account the change in the retail price level, remain very low, and are not emphasized in official German publications. The considerable recovery in employment and production which has taken place in that country is accounted for by capital goods, public works, and (to an unknown extent) by rearmament expenditure. There has, however, been some improvement in the output of consumption goods and in standards of living from the worst point of the depression.

It will be noted that the price of food continues to rise in Germany and that the price of German manufactures is, for a country exporting in competition with Britain and America, hopelessly out of accord with the gold prices of British and American goods in the world market. It is for that reason that Dr Schacht is planning a gigantic levy on the turnover of German industry (which can and will afford to pay it) in order to subsidize German exports.

Among the other industrial countries, France, after a short-lived recovery, has now plunged into a lower pit of depression even than in 1932. Unemployment, though not recorded, is very serious, industrial production is at a record low level, and the banks are probably unsound. Like Germany, she remains on the gold standard and her prices are hopelessly out of equilibrium with those of the rest of the world, but unlike Germany she lacks the centralized economic control which alone makes an over-valued currency compatible with internal revival. With the present alignment of political forces in France devaluation of the franc is most unlikely; there are therefore grave possibilities of an economic and political crisis.

Sweden under her Socialist government continues to make good progress. The U.S.S.R. does not yet supply any adequate figures of industrial production. From the few figures available it appears that the pace of development, which was considerably slowed down between 1932 and 1934, is now again being accelerated. Output in Japan, both commercial and military, continues to increase very rapidly. The figures of imports and exports of the principal countries show that world trade measured in sterling (the gold dollar has now become a very artificial unit of measurement) has now recovered to about 60 per cent of its pre-depression value. In all countries the recovery in industrial production has been much greater than this, thus indicating much greater degree of national self-sufficiency everywhere. With regard to distribution between countries, it will be seen that Japan's share of the world's trade has risen from 3.1 per cent to 3.8 per cent during this period—not a very startling increase. America's share of world trade has declined considerably, and her export surplus—*i.e.* the amount which she lends abroad—has disappeared. This is largely due to her ceasing to export foodstuffs, as referred to above. In the export of manufactures she stands at about the same level as Great Britain. Germany, by the exercise of rigorous exchange control, has made her imports and

exports balance at a low level. In France, the disparity between exports and imports, though diminishing a little, remains very wide, and the pressure on the franc continues to be severe.

There are very few signs of any revival of international lending by the old creditor countries. So long as there is no revival in international lending, there can be no considerable increase in the exports from industrial countries—the recent increase in British exports has been largely obtained at the expense of other industrial countries by reason of the depreciated pound—and at the same time the primary producing countries will have to continue to sell their produce at low prices. In fine, the African and Asiatic will remain impoverished, the European and American unemployed.

COLIN CLARK

EMPLOYMENT AND WAGES

There have been no startling changes in any of the series during the past quarter. In Great Britain, the total number registered as out of work fell in July just below two millions, after being above this figure continuously for several years. The slow improvement in British conditions thus continued during the quarter, largely thanks to sustained activity in the building trades, which cannot, however, be expected to maintain their present level of output much longer, in the absence of a new Government housing programme on an ambitious scale. In Germany, the June figure of employment was the highest recorded since the slump, and the number of registered unemployed was the lowest. How far activity in rearmament accounts for this situation cannot be stated statistically: nor is the German unemployment figure now comparable with those of other countries, owing to the exclusion of workers in Labour Camps and on other forms of special service. There is, however, no reason to doubt the high current level of German economic activity, based partly on rearmament, and partly on the intensive replacement of imports by domestic products. In France the index of employment was a little better in June than in previous months, mainly owing to seasonal influences; but it was substantially worse than a year ago, and unemployment at a considerably higher level. In the United States it was in April at about the same level as in April, 1934, and then fell off, as in previous years; but the percentage of Trade Unionists out of work remained lower than a year ago.

The cost of living has been rising a little in Great Britain, under the influence of restrictions on imports, and more rapidly in Germany, where restrictions have, of course, been pressed very much further. In France there has been a further fall. It is too early yet to say how far the substantial cuts in wages and salaries made under the Laval Government are likely to be offset by the reductions in prices which M. Laval is endeavouring to enforce. So far, only meat prices for the cheaper joints have been subjected to uniform reductions over the whole country. The attempt to reduce other prices is being made by local action through the Prefects of the various Departments. Already there are loud complaints; and the agriculturists in particular are clamouring for higher, instead of lower, prices, while the

Table 9 Unemployment

	NOS. OF REGISTERED UNEMPLOYED (000)			PERCENTAGE UNEMPLOYED		
	Average 1929	Average for 2nd Qtr 1934	Average for 2nd Qtr 1935	Average 1929	Average for 2nd Qtr 1934	Average for 2nd Qtr 1935
Great Britain ...	1,262	2,123	2,020	10.4	16.4	15.6
Germany ...	1,915	2,539	2,043	18.7*	13.6	10.9
France (partial) ...	10	322	461	—	—	—
U.S.A. (est'd) ...	3,000	—	—	8.3†	20.1†	18.3†
Italy ...	301	922	732	—	—	—

* Not comparable. † T.U. weighted percentage.

Table 10 Employment Indices (1929=100)

	YEARLY AVERAGES.		SECOND QUARTER	
	1933	1934	1934	1935
Great Britain ...	94.8	99.2	99.6	101.2
Germany ...	73.9	85.8	87.9	92.5
France (1930=100) ...	79.1	76.7	77.5	73.7
U.S.A. ...	65.8	75.2	78.2	77.3
Italy ...	71.4	72.1	70.8	85.0*

* April—May

Table 11 Cost of Living (1929=100)

	YEARLY AVERAGES		SECOND QUARTER	
	1933	1934	1934	1935
Great Britain ...	85	86	85	86
Germany ...	77	79	78	80
France (1930=100) ...	87	83	84	79
U.S.A. ...	75	79	79	83
Italy ...	79	75	75	76

Table 12 Money and Real Wages (1929=100)

	MONEY WAGES				REAL WAGES			
	1933 Av'ge	1934 Av'ge	1934 June	1935 June	1933 Av'ge	1934 Av'ge	1934 June	1935 June
Gt. Britain (all trades, weekly rates) ...	95	96	96	96	112	111	113	113
Germany (all trades, hourly rates) ...	79	79	—	—	104	102	—	—
France (Paris, skilled men, daily rates) ...	102	102	—	—	109	110	—	—
U.S.A. (industries, hourly earnings) ...	83	99	99	102	111	124	126	123
U.S.A. (industries, weekly earnings) ...	62	71	73	76	83	89	92	92
Italy (all trades, hourly earnings) ...	84	82	82	81*	106	109	111	107*

* March 1935

coalowners have been allowed to raise the price of coal. The whole outlook is very uncertain. For the moment, M. Laval's deflationary policy holds the field; but it is not easy to see how France can hope to escape from her economic difficulties without modifying the gold value of the franc.

Wage statistics are again lacking for both Germany and France. Money wages have remained stable in Great Britain, where movements for advances are now on foot among the miners and a number of other groups of workers. The Trades Union Congress at Margate pledged its full support to the miners in their campaign. In the United States, money wages remained stable in

the second quarter of the year, after a rise in the previous quarter, which brought real wages to about the same level as a year ago.

I have added to the tables, for this occasion, figures for Italy, where the cost of living has been rising a little, and unemployment has been greatly reduced by mobilization and other preparations for war, which have led to a rapid rise in the index of employment.

G. D. H. COLE

TARIFFS AND TRADE AGREEMENTS

In the last number of the *Quarterly* it was suggested that it would be difficult for governments to add many further restrictions to imports in view of the large number already existing. This hope has not been fulfilled; barriers to international trade have been extensively raised still further in the last quarter. Few of these increases have taken the form of an increase in tariffs.

BRITISH TRADE POLICY

The readjustments of the Tariff Commission have led on the balance to a rise in the level of British tariff walls. Trade agreements have been reached with Turkey, Uruguay, and Rumania, and a treaty with Salvador has been prolonged. The three new agreements all provided arrangements for the gradual settlement of payments due to British exporters; a restriction of further British exports to these countries was implicit in these treaties—at least until such a time as existing debts had been paid off. A promise was given to Turkey that no restriction of her agricultural exports to Great Britain should take place without discussion. Uruguay guaranteed the free import of British coal and agreed to conduct further negotiations concerning the customs control of other imports.

The imposition of a British quota on early potatoes, which reduced the Spanish exports for 1934 (610,247 metric tons) by 60 per cent, led to the suppression of the 35 per cent rebate of customs duties on British motor cars in retaliation. Negotiations for a fresh agreement have not yet reached any conclusion.

The preliminary agreement between the British Iron and Steel Federation and the Continental Iron and Steel Cartel was followed by a more permanent one, which limited iron and steel products entering Great Britain to 670,000 tons for the first 12 months and 525,000 tons a year subsequently. The British share of the export trade in neutral markets was fixed at the total for 1934. The British Government has followed up the agreement by indefinitely suspending the proposed higher duties on iron and steel imports.

Attempts to reach a final agreement with the Dominions concerning meat exports to Great Britain broke down; temporary agreements were however concluded for the allocation of quotas. Minor increases in British preference have been given in some Dominions and colonies; the Canadian cotton interests however have launched a vigorous campaign against lower tariffs and have renewed their accusation that Lancashire mills are exporting cotton goods to Canada at less than cost price. Efforts have been made to extend the successful coal-cattle pact between Great Britain and the Irish Free State to other products, but so far without success.

FRESH RESTRICTIONS

Minor increases took place in the tariffs of France, Germany, Sweden, Portugal and Switzerland. South Africa and the neighbouring protectorates imposed anti-dumping duties on bacon and hams from many Baltic and North European countries. Holland, the Dutch East Indies, Irish Free State and Peru increased the number of their quotas. The use of the licence was extended by Belgium, Austria, Italy, Czechoslovakia, the Irish Free State and Syria; new license taxes were imposed by Spain and Italy. The U.S.A. and Germany insisted on "luxury" and canned goods respectively being marked with the country of origin.

Internal difficulties and the needs of war have led the Italian government to set up import monopolies for coal, coke, copper, iron and nickel, to be operated by the State Railways Administration. Belgium established state control of the import of butter, margarine and all edible fats in order to maintain the price and quality of these foods. Portugal took powers to restrict the import of goods from countries with which she had an adverse trade balance and no trade agreement. Bulgaria decided to limit all imports to 50 per cent of the average for 1930-2; the National Bank alone was given power to allow exceptions. Rumania imposed taxes on imports to pay bonuses on exports; Turkey increased her consumption taxes on coffee, tea, paper, wool, iron and copper goods.

Poland, Canada, Newfoundland, Sweden, Saudi Arabia and Syria all made extensive reductions; those of Poland were stated to be of a "temporary" character. Italy's desire for war materials led her to allow the free entrance of cotton waste and to offer special facilities for the import of oil and glycerine. Australia removed exchange dumping duties from caustic soda and screws.

Belgium imposed export licences on glass, soda, etc., whilst Norway took control of the export of herring and brisling. The Irish Free State increased or gave new bounties on potatoes, rabbits, eels, bacon and hams.

TRADE AGREEMENTS

The U.S.A. embarked on "a policy of trade agreements" and signed treaties with U.S.S.R., Sweden

and Hayti. Reductions in the American tariff were made in return for various promises to increase purchases of American goods. France concluded new agreements with Turkey, Holland and Hungary; "an exchange of notes" with South Africa led to minor mutual concessions. The lapse of an agreement with Germany led to an increase of the German tariff on many products usually imported from France. Spain signed treaties with the Irish Free State and Estonia and extended an agreement with Salvador. In return for enlarged quotas of Spanish fruit and protection for the names of Spanish wines, Irish eggs and Estonian paper and linseed were given privileged positions in the Spanish market.

Czechoslovakia agreed to import 80 million Czech crowns' worth of goods from Hungary in a year. This was to be paid for by 55 million crowns' worth of Czech goods, 6 million crowns received from Hungarian visitors to Czech spas, and the rest from various other payments to be made in Czechoslovakia. This equal direct exchange of goods between two countries was an excellent example of a growing tendency in trade agreements; Greece and the U.S.S.R. adopted a very similar agreement of a temporary character.

Treaties were also concluded between Germany and Hungary, Germany and Belgium, Germany and Czechoslovakia, Finland and Bulgaria, Holland and South Africa, Czechoslovakia and Greece, Rumania and Portugal, Belgium and Italy, Turkey and Bulgaria, and China and French Indo-China. Most of these agreements contained few provisions of importance; those which included the M.F.N. clause included the restrictions on its operation, described in earlier numbers of this journal, which have become customary. Supplementary agreements were signed between Germany and Portugal, Austria and Rumania, and Italy and Hungary; a treaty between Yugoslavia and Rumania was extended.

Egypt and Ecuador have both denounced trade agreements with Japan owing to the rapid increase of imports from that country. An open trade war has developed between Canada and Japan; each country has placed prohibitive duties on the other's goods.

JOHN PARKER

THE INTERNATIONAL SCENE

During the last three months all eyes have been turned on Italy, Abyssinia and the League. Other things, it is true, have been taking place abroad but in the light of the blazing controversy they have become pale and unreal. Hostilities in the Chaco have come to an end; a Naval Agreement has been reached—amidst criticism—between Britain and Germany; the position in Memel is acute; Japanese penetration is continuing in China, and the Japanese Foreign Office spokesman has announced that "Outer Mongolia cannot expect to remain secluded—Manchukuo is knocking at the door as Commander Perry, eighty years ago, knocked at the door of Japan". All these developments are completely overshadowed by the diplomatic manœuvres in Geneva and Rome, and the military preparations in Africa and the Mediterranean. Inevitably—however much one

might wish it otherwise—the present survey must be restricted to a short account of the dispute, of the interests involved, and the possibilities that arise.

THE COURSE OF THE DISPUTE

The Walwal incident took place on December 5th, 1934, at a spot which seems clearly to be on the Abyssinian side of an undemarcated frontier, but where the Italians had been in occupation for several years. The Italians declined at first to arbitrate in accordance with the 1928 Treaty, and the Abyssinians appealed to the League. In January it was announced that the two Governments had agreed to arbitrate, and the consideration of the appeal was postponed. There was another clash at Afdub at the end of January, and Italy began mobilising and sending troops in February.

A more hopeful sign was the establishment of a neutral zone, but negotiations hung fire, and on March 17th Ethiopia again appealed to the League, this time invoking Article 15 of the Covenant, on the ground that "in consequence of the mobilization ordered by the Royal Italian Government, and of the continual dispatch of troops and war materials to the Italo-Ethiopian frontier, there now exists between Ethiopia and the Royal Italian Government a dispute likely to lead to a rupture". The hearing of this appeal was again postponed, on the understanding that a Conciliation Commission should be set up. But progress was slow, and the matter came before the Council of the League on May 25. The outlook suddenly improved when the Italian objection to Ethiopia choosing foreigners to represent her was withdrawn. A procedure was arranged by which, in the event of the four commissioners disagreeing, a fifth arbitrator was to be appointed. Thus three months ago the position was that an approach to a solution of the Walwal dispute had been evolved, but troops and war materials were still being poured into Italy's African colonies.

At this stage the British Government attempted to find a basis for a full and complete settlement. They suggested the possibility of Britain offering Ethiopia the port of Zeila, with a connecting corridor through British Somaliland, and thus providing Ethiopia with a much-desired access to the sea; in return for this Italy would receive economic and territorial concessions. Mr Eden's visit to Rome towards the end of June proved abortive, however, and the offer was refused. Soon after the sittings of the Conciliation Commission were suspended, since the two sides could not agree whether the work of the Commission was to be confined to assigning responsibility for the Walwal incident, or whether it should also take evidence on whether Walwal was in Abyssinian or Italian territory. The League Council was again summoned and met on July 31.

As a result of this meeting it was agreed, first, that the Conciliation Commission should appoint a fifth arbitrator and that its scope should be restricted to the Walwal incident; second, that three-party conversations should take place between Britain, France and Italy under a treaty of 1906 (and not under League auspices); and, third, that in any event the Council should examine the whole problem of the relations between Italy and Ethiopia at a meeting on September 4.

The Three-Power Conversations took place in Paris. The Italians did not put forward any suggestions. Britain and France suggested a solution by which Italy would get considerable economic opportunities in Abyssinia, while the frontiers of the Italian colonies would be protected from attack, and Italian subjects would have opportunities for settling in Abyssinia. These suggestions were rejected, and no alternative suggestions were forthcoming from the Italian side, so that the conversations came to an ignominious end. In the meantime, the Conciliation Commission, under the leadership of M. Politis who had been appointed the fifth arbitrator, prepared a report which absolved both the Italian and the Ethiopian Governments from any responsibilities for the Walwal incident, and this report was before the Council at its meeting on September 4.

At the moment of writing the matter is before the Council; speeches have been made before the Assembly

of the League showing strong feeling against Italian aggression, and Sir Samuel Hoare has declared the willingness of Great Britain to fulfil her obligations under the Covenant. M. Laval still seems to hope that a solution may be found, and a Committee of Five is still at work trying to find this solution. It must be added that the Italian case, as put before the Council, was an accusation against Abyssinia of unfitness to govern herself; there is no legal basis which could justify an attack on Abyssinia now that the Walwal incident has been cleared up. At the moment it is expected that the Italians will attack Abyssinia towards the end of the month, or in the first week of October, and the hope of Mussolini becoming more conciliatory is small.

THE ATTITUDE OF THE POWERS

But Italy is not concerned with rights and wrongs at all. She is merely anxious to claim for herself a colonial Empire, and she has chosen the present moment because it appeared suitable—a recrudescence of the old pre-war smash-and-grab imperialism. If she can have what she wants under the auspices of the League, well and good; if not, Mussolini will try for what he wants without.

So far Mussolini has snubbed attempts at securing a compromise and his speeches at home seem to suggest that nothing short of complete control will satisfy him. The real point at issue—this is the reason why Mussolini has so far taken no serious interest in any of the negotiations—would seem to hang on the position of the Italian forces now in the African colonies. There is no compromise which the League can endorse which would permit the Italian troops to march over the frontiers of Ethiopia, and Mussolini, having sent all those troops out there, can hardly bring them back empty-handed. Once again mobilization seems to be the real bar to a peaceful settlement, while there is the further point to consider, that though arrangements may be made by which the Italians get the right to a majority of the economic concessions to be opened up in Abyssinia, this will not give them a dominating position in Abyssinia should it become an important customer. Ownership of important industrial enterprises in Abyssinia is a very different thing from a monopoly in the Abyssinian market. But this perhaps might be got round; the real difficulty, whether Mussolini is to have a Roman Triumph or not, remains, for neither Italy nor the League want to make concessions on this point.

What, then, will happen? Everything here depends on Great Britain and France. We are committed to doing something, provided others take part. France is disinclined to do anything, since she has come to terms with Italy over European problems, and wants Italy as an ally. On the other hand, she is faced with an inescapable choice between the League and Italy. She will probably try and put off the choice as long as possible, but in the last resort she will probably chose the League. At least this is what M. Laval's speech seems to suggest. If Mussolini's diplomatic methods continue to be as crude as they have been in the immediate past, the choice seems unavoidable. And all the smaller powers are expecting something to be done.

What next, once the Italians cross the Ethiopian frontier? No one has considered that very much—at least, not in public. Presumably an embargo of some

sort would be imposed, but how sweeping it would be, or how long it would take to have an effect is quite uncertain. Another possibility is the closing of the Suez Canal; it seems difficult to see how the responsibility for doing this can be passed on to the shoulders of the management of the Canal itself, but there is nothing to stop the League Council entrusting Britain or France or both with the task of preventing Italian ships going through, and in that case warships would be stationed close to each end, as was the case in the war. But it is rather fruitless discussing hypothetical measures in a chronicle of this sort. As far as Italy's economic position is concerned, it is precarious and seems bound to deteriorate with or without an embargo, but there is little likelihood of a sudden economic collapse.

If, in the outcome, collective security comes to have a meaning, no small amount of the credit for this will be due to the weight of public opinion in England, which expressed itself so effectively in the Peace Ballot. It is fortunate that Sir John Simon has been removed from the Foreign Office, and one may tremble to think what Britain's arguments at Geneva would have sounded like if they had come from the mouth of the eminent lawyer who was prepared to put an embargo on Russia over the Metropolitan-Vickers trial, but would do nothing to show disapproval of Japan. As it was, the Rickett episode made us suspect for a time. Whatever may be going on behind the scenes, Sir Samuel Hoare's impressive speech before the Assembly has done a great deal to restore British prestige and to pave the way for united action.

Or so it would appear—but the scene may have changed completely by the time this appears in print. And sinister possibilities, that "sanctions mean war," as Mussolini has proclaimed, dominate the scene.

A. T. K. GRANT

WORK OF THE NEW FABIAN RESEARCH BUREAU

RESEARCH WORK IN PROGRESS

Further assistance in research over a wide range of subjects will be very welcome. Anyone willing to offer such assistance is asked to communicate with the General Secretary, 17 John Street, W.C.1.

Work has been put in hand during the past three months on the following subjects:

II POLITICAL SECTION

To be included in book on Public Concerns:

- Productive Organization of the C.W.S. and
- Local Consumers' Cooperative Societies.

III INTERNATIONAL SECTION

British East Africa.

COMPLETED MEMORANDA

The following have been added to the list of completed memoranda published in earlier numbers of finished studies which are available for reference in the office:

I ECONOMIC SECTION

- 1 Aircraft Manufacture
- 2 Land Nationalization (first draft of report).
- 3 An Economic Policy for a Labour Government.

II POLITICAL SECTION

How to Abolish the House of Lords (first draft).

IV SOCIAL SERVICES SECTION

Report on Adult Education (first draft).

CONFERENCES

1 A week-end conference will be held at the Royal Star Hotel, Maidstone, on October 26-27, on THE HOUSE OF LORDS AND COGNATE SUBJECTS.

An experiment is being made in the running of this conference. A syllabus has been drawn up for each session beforehand and three speakers are being invited to speak for twenty minutes apiece on specific points. It is hoped that this will lead to a better discussion than at recent conferences.

2 Another conference is to be held at the beginning of December. MECHANIZATION AND RATIONALIZATION are to be discussed.

Reports of these conferences will be prepared and will be available to members and others who care to write to the office for a copy.

RECOMMENDED BOOKS

Durbin, E. F. M. THE PROBLEM OF CREDIT POLICY (Chapman and Hall 10/6). Mr Durbin, who in his earlier book criticized a whole range of monetary theories, here attempts a constructive solution of the practical problem of monetary theory. One of the clearest and most convincing books published on the subject for a long time.

Nash, E. F. MACHINES AND PURCHASING POWER (Routledge, pp. 229 6/-). A really popularly written and, at the same time, sound analysis of the monetary problem.

Baster, A. S. J. THE INTERNATIONAL BANKS (King 12/6). A readable history of the growth of international finance.

Professors Pierson, Mises Halm, Barone and Hayek. COLLECTIVIST ECONOMY PLANNING: Critical Studies on the Possibilities of Socialism, edited by F. A. Hayek (Routledge 10/6). The extreme theoretical case against planning stated in a series of essays by the best known economists who support a purely free economy, this is certainly a book which any advocate of planning should read.

Warren, G. F. GOLD AND PRICES (New York: John Pearson, F. A. Wiley and Sons. London: Chapman and Hall 25/-). A further instalment of the views of Messrs. Warren and Pearson, who inspired Mr. Roosevelt's 'gold-buying' policy in the autumn of 1933. The authors' main thesis is sensible, but rather crudely argued. A largely statistical book.

Willis, H. Parker. THE ECONOMICS OF INFLATION: The Basis of Contemporary American Monetary Policy (London: Milford 22/6). A superficial and not very objectively written attack on Mr. Roosevelt's policy from the extreme deflationist point of view.

RECOMMENDED BOOKS—*continued*

- Burns, Emile,
edited by
- Murphy, J. T
- Royal Institute of
International Affairs
- Harris, C. R. S
- Morrison, Rt. Hon.
Herbert
- Simon, Sir E. D
Inman, J
- Attention is drawn to the fact that Hugh Dalton's *PRACTICAL SOCIALISM FOR BRITAIN* (Routledge) is published at 5/- and not at 10/6, as was mistakenly stated in the June number of this journal.
- The following should prove suitable as works of reference :
- League of Nations
- Royal Institute of
International Affairs
- Smith, Arthur,
edited by
- A HANDBOOK OF MARXISM (Gollancz pp. 1088 5/-). A collection of extracts from the writings of the founders of Marxism and of the greatest of their followers which give the reader the most comprehensive account of Marxism possible within the limits of a single volume.
- MODERN TRADE UNIONISM (Routledge pp. 199 5/-). One of the New World Series. Opinions about this book will differ with the political outlook of the reader. Its survey of tendencies is comprehensive but not very accurate historically.
- ECONOMIC AND FINANCIAL POSITION OF ITALY (Royal Institute of International Affairs, mimeographed pp. 71 2/-). A most full and informative account of the whole position. Probably the best in existence.
- GERMANY'S FOREIGN INDEBTEDNESS (Oxford University Press 5/-). A survey of German economic and financial history since the inflation; accompanied by an estimate of how far Germany (1) can and (2) will pay her debts.
- HOW GREATER LONDON IS GOVERNED (Lovat Dickson and Thompson 6/-). An objective and most informative exposition of local government in London. Mr. Morrison writes from a practical but not a party point of view.
- THE REBUILDING OF MANCHESTER (Longmans 5/-). A most interesting account of practical rehousing work in a working class area.
- Chaput, Rolland A
- Squires, J. D
- Almond, Nina
Lutz, R. H
- Griffin, Jonathan
- Lehmann-Russbueldt,
Otto
- Turin, S. P
- DISARMAMENT IN BRITISH FOREIGN POLICY (Allen & Unwin 16/-).
- BRITISH PROPAGANDA AT HOME AND IN THE UNITED STATES from 1914 to 1917 (Oxford University Press pp. 108 4/6).
- THE TREATY OF ST. GERMAIN: A Documentary History of its Territorial and Political Clauses (Oxford University Press pp. 712 27/-).
- BRITAIN'S AIR POLICY, PRESENT AND FUTURE (Gollancz 5/-).
- GERMANY'S AIR FORCE with an introduction by Wickham Steed (Allen & Unwin 3/-).
- FROM PETER THE GREAT TO LENIN: A History of the Russian Labour Movement with special reference to Trade Unionism (King 9/-).
- HOUSING FINANCE: Report on Subsidies for Rehousing in Urban Areas (King pp. 34 2/6).
- Books on Abyssinia :
- Berkely, G. F. H
- Robinson, Maj.-Gen.
R
- McCraegh, Gordon
- Griaule, Marcel
- Farago, Ladislav
- Dailey, Maj. Henry
- White, F
- Royal Institute of
International Affairs
- Vigilantes
- Jones, A. H. M
Monroe, Elizabeth
- THE CAMPAIGN OF ADOWA AND THE RISE OF MENELIK (Constable). A standard work on the subject.
- ENGLAND, ITALY, ABYSSINIA (Clowes). This book is of military interest.
- THE LAST OF FREE AFRICA (Appleton). A re-issue.
- ABYSSINIAN JOURNEY (Miles). Impressionistic, not really useful.
- ABYSSINIA ON THE EVE (Putnam). Slick and informative, but not entirely accurate journalism.
- SLAVES AND IVORY (Wetherley). A re-issue. A standard book on the slave trade.
- THE ABYSSINIAN DISPUTE (League of Nations Union).
- ABYSSINIA AND ITALY: Information Dept. Papers, No. 16 (Royal Institute of International Affairs).
- ABYSSINIA (*New Statesman* pamphlet). A statement of the facts of the dispute and a vigorous defence of sanctions.
- A HISTORY OF ABYSSINIA (Oxford University Press). This will be published next month and will cover the history of Abyssinia from the earliest times to the present situation.

WANTED

Nos. 1-5 of *N.F.R.B. Quarterly Journal*.

Members are asked to send in unwanted early numbers of the *Journal*, as these are required to complete Library files.

DIARY

PRINCIPAL EVENTS

September 1935—November 1935

- September 3 *Abyssinia*—Ricketts Oil Concession cancelled. Italian-Abyssinian Commission of Conciliation finds neither country responsible for frontier incident.
- 4 League of Nations Council public meeting on Abyssinia.
- 7 *League of Nations*—Italy consents to appointment of Committee of Conciliation of 5 members, including France and Great Britain.
- 11 *League of Nations*—Sir Samuel Hoare's declaration of British policy at Geneva.
- 13 *League of Nations*—Laval's statement of French policy.
- 14 *Italy*—Cabinet meeting: no compromise with Abyssinia.
- 22 *League of Nations*—Italy finds report of Committee of Five unacceptable.
- 23 *League of Nations*—Abyssinia accepts Committee of Five's report. Committee refers problem back to Council.
- 25 *League of Nations*—Report of Committee of Five published.
- 26 *League of Nations*—Council invokes Covenant.
- 27 *Memel*—British, French and Italian note to Lithuania. Observers to be sent for election.
- 29 *Italian-Abyssinian Dispute*—Hoare's reply to French Government published, announcing strict adherence to the Covenant.
- October 2 Italian violation of Abyssinian frontier reported to League.
- 4 France agrees to support Great Britain in the Mediterranean in the event of an unprovoked Italian attack.
- 5 U.S.A. President declares embargo on export of arms to Italy and Abyssinia.
- 7 League Council declares Italy guilty of aggression.
- 9 League Assembly, excepting Austria and Hungary, agrees that Italy has violated the Covenant.
- Memel Election*—German majority maintained.
- 10 League Assembly decides to institute collective measures against Italy.
- Greece*—Royalist coup overthrows Tsaldaris Ministry.
- 11 *League of Nations*—Coordinating Committee of the Assembly raises embargo on export of arms to Abyssinia.
- 14 *League of Nations*—Coordinating Committee agrees to a financial ban of Italy beginning October 31.
- 17 *Austria*—New pro-Italian Cabinet formed under Schuschnigg, without Major Fey.
- 24 *France*—Radical Party Congress opens.
- 25 Mussolini's Abyssinian proposals turned down by Great Britain and France.
- 28 British financial boycott of Italy begins.
- Greece*—Decrees passed prohibiting all criticism of royalist regime.
- 29 *Spain*—Cabinet reconstructed following gaming scandal. Lerroux retires.
- November 2 *League of Nations*—Application of sanctions on November 18 approved.
- 3 *Greece*—Plebiscite: 90% favour restoration of monarchy.
- 4 German-Polish commercial Treaty signed.
- 10 *Greece*—King accepts invitation to return.
- 11 Italian Government presents notes to members of the League, protesting against sanctions and threatening counter-measures.
- 15 Canadian-United States Trade Agreement signed.
- 18 Sanctions in force against Italy.
- 20 *China*—Northern Chinese provinces do not secede on expiry of Japanese ultimatum.
- 21 French Ambassador meets Hitler.
- 25 *Greece*—Restoration of King. Resignation of General Kondylis.
- 28 *Greece*—King firm on amnesty for Republican Party leaders in spite of opposition of Kondylis.
- France*—Laval receives vote of confidence in French Chamber.

